

# Exhibit B

## Part 1

Volume 8

Pages 1124 - 1283

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

BEFORE THE HONORABLE SUSAN ILLSTON, JUDGE

IN RE: TFT-LCD (FLAT-PANEL) )  
ANTITRUST LITIGATION. ) NO. C 07-MDL-1827 SI

San Francisco, California  
Thursday  
August 1, 2013  
8:37 a.m.

Individual Cases:  
CASE NO. 10-CV-4572  
CASE NO. 12-CV-4114

TRANSCRIPT OF PROCEEDINGS

APPEARANCES:

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(Appearances continued, next page)

APPEARANCES, CONTINUED:

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Also Present:

Naomi Kusakabe  
Alex Tsai  
Paul Chiu  
Wendy Fritz  
Julius Christensen

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Official Reporters, U.S. District Court

## FRITZ - CROSS EXAMINATION / CURRAN

1 BY MR. CURRAN:

2 Q No binder for me, Ms. Fritz.

3 MR. CURRAN: May I approach, Your Honor?

4 THE COURT: (Inaudible)

5 (Witness examines document)

6 BY MR. CURRAN:

7 Q Ms. Fritz, I ask you to take a moment to review Exhibit  
8 8206 and see if you can confirm for me that it's the Best Buy  
9 code of business ethics.

10 (Witness examines document)

11 A Yes, it looks to be our most recent version.

12 Q Okay. And ma'am, the cover has Best Buy's corporate logo  
13 on there, correct?

14 A Correct.

15 Q And if you flip over to Page 4, that's 8206-004, there's a  
16 letter from someone named Hubert Joly, President and CEO of  
17 Best Buy Company, Inc.?

18 That is the president and CEO of Best Buy, correct?

19 A Correct.

20 MR. CURRAN: Your Honor, I move for the admission of  
21 Exhibit 8206 into evidence.

22 MR. SILBERFELD: No objection.

23 MR. FREITAS: No objection.

24 THE COURT: Thank you. It will be received.  
25

## FRITZ - CROSS EXAMINATION / CURRAN

1 (Trial Exhibit 8206 received in evidence)

2 (Document displayed)

3 **BY MR. CURRAN:**

4 **Q** Ms. Fritz, the last page -- well, let's take a moment.

5 So, Ms. Fritz, that's the cover of the code of business  
6 ethics (Indicating). Right?

7 **A** Yes.

8 **Q** That's on the screen here in court.

9 And then if we can take a quick look at Page 4, and while  
10 it's hard to read on the screen there, that's a message from  
11 Mr. Joly, correct?

12 **A** Correct.

13 **Q** Do I pronounce that correct? "Jo-lee"?

14 **A** "Jo-lee."

15 **Q** And then, on the last page of this exhibit, Page 24, there  
16 is a certification for employees to sign. Right?

17 (Witness examines document)

18 **A** Yes.

19 **Q** It is called "Personal Commitment." Do you see that?

20 **A** Yes.

21 **Q** Ms. Fritz, being familiar with this document, you are  
22 aware that there are certain guidelines that Best Buy sets  
23 forth with respect to competitive intelligence, right?

24 **A** Yes.

25 **Q** Let's take a look at that, please. And I believe you will



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1 find that on Page 16 of the exhibit. That's 8206-016.

2 Do you see that, ma'am?

3 A I do.

4 Q Okay. And I want to direct your attention in particular  
5 to the section toward the top, "COMPETITIVE INTELLIGENCE  
6 GATHERING."

7 (Document displayed)

8 Q And Ms. Fritz, is this section part of what you reviewed  
9 in giving your personal commitment to abide by the code of  
10 business ethics?

11 (Witness examines document)

12 A I don't recall if this is the exact version that I most  
13 recently signed. But it does look like our current competitive  
14 intelligence guidelines.

15 Q Okay. It looks familiar to you?

16 A It does.

17 Q Okay. And, ma'am, do you see first paragraph there where  
18 it says (As read):

19 "'Competitive intelligence' is the process of understanding  
20 and anticipating the competitive environment in which your  
21 business operates. All companies who wish to remain  
22 successful gather competitive intelligence in some way and  
23 Best Buy is no different."

24 I'll stop there for the moment, Ms. Fritz. Ms. Fritz, do  
25 you agree with that comment in this code?

## FRITZ - CROSS EXAMINATION / CURRAN

1     **A**     Yes.

2     **Q**     And do you agree that all companies who wish to remain  
3     successful gather competitive intelligence in some way?

4     **A**     I cannot speak for other companies. I can only speak from  
5     my perspective of Best Buy.

6     **Q**     Okay. Does Best Buy gather competitive intelligence?

7     **A**     We do.

8     **Q**     How does Best Buy go about gathering competitive  
9     intelligence?

10    **A**     We gather it in a number of ways. So, we have market  
11    share information, so we subscribe to a number of different  
12    sources, whether that be NPD or Stevenson.

13           We do -- or we did, it's been modified recently, but we  
14    had a field intelligence team which is understanding what the  
15    competition is doing in a particular set of our markets.

16           And then, we're looking at all the advertising circulars  
17    and online websites of our competition on a regular basis.

18    **Q**     Okay. A couple followup questions on that. Did you say  
19    "MPD"?

20    **A**     "N" as in "Nancy," "P-D."

21    **Q**     And, Ms. Fritz, what is NPD?

22    **A**     I don't actually know what "NPD" stands for, but NPD is a  
23    market intelligence firm that supplies industry information to  
24    a number of different people.

25    **Q**     Okay. By a subscription?

## FRITZ - CROSS EXAMINATION / CURRAN

1     **A**     We have a partnership with them, yes.

2     **Q**     Okay. So, they gather up information on the consumer  
3     electronics market, and provide that to you?

4     **A**     Yes.

5     **Q**     For a fee?

6     **A**     I actually don't know if it's a fee, or if they benefit as  
7     well with the information.

8     **Q**     All right. It's some sort of a partnership, you say,  
9     between Best Buy and NPD?

10    **A**     Yes.

11    **Q**     Is Best Buy, itself, engaged in gathering up the  
12    information that NPD reports?

13    **A**     Can you -- can you ask that again? I'm not understanding  
14    your question.

15    **Q**     Yes, I think you said NPD provides market data and  
16    analysis? Is that right?

17    **A**     Correct.

18    **Q**     Does Best Buy assist its partner, NPD, in gathering up  
19    such information?

20    **A**     No. We -- NPD actually collects point-of-sale information  
21    from Best Buy and other retailers, but they're kind of an  
22    agnostic provider of information. We don't give them other  
23    details besides the POS information.

24    **Q**     And when you refer to "point of sale," is that, like, at  
25    the cash register?



## FRITZ - CROSS EXAMINATION / CURRAN

1 A Correct.

2 Q And what type of information does NPD gather there?

3 A Sales information, right.

4 Q Price?

5 A Yes.

6 Q Quantity?

7 A Categories. Uh-huh.

8 Q Does it report on trends and things like that?

9 A They do some trend reporting, yes.

10 Q And then, is Stevenson another company like NPD?

11 A Similar, but it's survey-based.

12 Q Okay. And, is that again a subscription service that  
13 Best Buy subscribes to?

14 A We have a partnership with them as well.

15 Q Okay. And then, Ms. Fritz, I think you also referred to  
16 having had a field intelligence team. Is that right?

17 A Yes.

18 Q Okay. What was the field intelligence team?

19 A We refer to it as the "competitive intelligence team." As  
20 I mentioned, it's been scaled back significantly, just based on  
21 cost and that kind of thing.

22 But, the main focus of that, again, was people in the  
23 specific markets understanding what our competition was doing,  
24 and making sure that there was line of sight, one.

25 Two, other promotions that were going and pricing going

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1 back to our price match guarantee, we wanted to make sure we  
2 were competitive. If we weren't competitive, they would be  
3 reporting that back to the buyer team to make sure that there  
4 was awareness of that.

5 Q So this competitive field intelligence team would go out  
6 in the marketplace, including store visits at competitor sites,  
7 and gather up information. Is that right?

8 A Yes.

9 Q And, use other resources available to them to gather up  
10 information?

11 A I can't speak for other resources.

12 Q Okay. And, you said it's been scaled back recently.  
13 When?

14 A I -- I actually don't have a lot of visibility to the  
15 details. I just know recently that group has gotten a lot  
16 smaller. So, probably in the last three or four months.

17 Q Okay. Is Mr. Britton still an employee of Best Buy?

18 A I believe so.

19 Q And he's been the head of competitive intelligence at  
20 Best Buy, right?

21 A He was not the head of it. He was, I think, a manager in  
22 competitive intelligence. But --

23 Q Who was the head, or who is the head of Best Buy's  
24 competitive field intelligence team?

25 A At one time, Mike Ray headed up our competitive

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1 intelligence team. He is no longer with the company. And  
2 prior to that, I don't remember.

3 Q Okay. And were you involved in the decision-making to  
4 scale back the field intelligence team?

5 A No.

6 Q Was cost the only reason that Best Buy decided to scale it  
7 back?

8 A Yes. That's my understanding.

9 Q All right. Now, Ms. Fritz, in addition to the field  
10 intelligence team, were there other employees who had  
11 responsibilities for gathering up competitive information and  
12 distributing it within Best Buy's other business units?

13 A Can you be more specific?

14 Q Yeah, like, did you have a team dedicated to gathering up  
15 information in Asia, competitive information in Asia?

16 A Not to my recollection.

17 MR. CURRAN: Your Honor, I would like to hand out  
18 another document, if I may. This one has been marked as  
19 Exhibit 5647. And I'll hand it around.

20 (Document handed up to the Court)

21 MR. CURRAN: And may I approach, Your Honor?

22 THE COURT: (Inaudible)

23 (Witness examines document)

24 BY MR. CURRAN:

25 Q Ms. Fritz, please take a moment to familiarize yourself



## FRITZ - CROSS EXAMINATION / CURRAN

1 with this document.

2 (Witness examines document)

3 **A** Okay.

4 **Q** Now, Ms. Fritz, this appears to be an email from Patrick  
5 McGinnis, dated on or about November 13, 2003, to you and  
6 various others at Best Buy. Correct?

7 **A** It appears that way, yes.

8 **MR. CURRAN:** Your Honor, I move for the admission of  
9 Exhibit 5647.

10 **MR. SILBERFELD:** No objection.

11 **THE COURT:** Thank you. It will be received.

12 **MR. FREITAS:** No objection.

13 (Trial Exhibit 5647 received in evidence)

14 (Document displayed)

15 **BY MR. CURRAN:**

16 **Q** First of all, Ms. Fritz, let's focus on the From and To,  
17 up top.

18 Do you see your name in the bottom middle of --

19 **A** I do.

20 **Q** And then, there are some other names I would like to call  
21 to your attention. A couple to the right of you, there's Kevin  
22 Winneroski's name. Right?

23 **A** Yes.

24 **Q** And he is the gentleman we saw in the video earlier this  
25 morning, here in court. Right?



## FRITZ - CROSS EXAMINATION / CURRAN

1     **A**     Correct.

2     **Q**     Okay. And then, closer to the top, in the middle, I think  
3     on the third line of the Tos, there's a Brian Dunn. Do you see  
4     that name?

5     **A**     I do.

6     **Q**     And Mr. Dunn at one point in time was the president and  
7     CEO of Best Buy, correct?

8     **A**     Correct, although I don't know if he was at this time.

9     **Q**     Right. I think it was later. Is that right?

10    **A**     I believe so.

11    **Q**     And, then, on the left side, two rows below Mr. Dunn there  
12    appears to be Jason Bonfig. Do you see that?

13    **A**     I do.

14    **Q**     He's another -- he's a close colleague of yours at  
15    Best Buy, right?

16    **A**     Yes.

17    **Q**     And, Ms. Fritz, this is an Asia News Flash circulated  
18    within Best Buy, correct?

19    **A**     It appears that way. I don't actually recall the  
20    document. But, that's what it says.

21    **Q**     Okay. And, and, Ms. Fritz, this was a periodic feature of  
22    competitive intelligence at Best Buy, during this time period.  
23    Right?

24    **A**     I don't actually recall it being a periodic feature.

25    **Q**     Okay. Do you recall who Patrick McGinnis is?

## FRITZ - CROSS EXAMINATION / CURRAN

1 A Yes.

2 Q Who is Mr. McGinnis?

3 A I'm not sure what his exact title is now, but he works in  
4 our global sourcing office.

5 Q And he splits time between Minnesota and China, or at  
6 least, did at this period of time?

7 A He did at this period of time. I'm not sure that he does  
8 that any more.

9 Q I notice lower on this first page there is an address  
10 block for Mr. McGinnis. And it appears he has not only U.S.  
11 phone numbers, but also some phone numbers in China.

12 Do you see that?

13 A Yes. I believe this was at a time when he was -- or  
14 likely at a time when he was living there.

15 Q And, Mr. McGinnis writes at the beginning here (As read):  
16 "All, Please feel free to send Mark Pritchard or me requests  
17 for a specific intelligence search at any time."

18 Do you see that, ma'am?

19 A I do

20 Q Do you recall Mark Pritchard being another Best Buy  
21 employee gathering up competitive intelligence?

22 A No, I recall Mark Pritchard being a person on our private  
23 label team.

24 Q Private label team. And, do I understand correctly that  
25 Best Buy's private label team was exploring the possibility or

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1 maybe developing the reality of Best Buy -- Best Buy's own  
2 private-label finished products?

3 A We do have those actually, today, yes.

4 Q Okay. And, do you today have private-label notebook  
5 computers for sale?

6 A We do not.

7 Q Okay. But that was an initiative that Best Buy had for a  
8 number of years -- or at various times, correct?

9 A We -- it was a -- private label was definitely an  
10 initiative in the television space. We did experiment a few  
11 things in desktops and notebooks, but it never really took off.

12 Q Okay. So, so when Best Buy was exploring the possibility  
13 of developing a private-label notebook computer, it -- it had  
14 some of its employees do some investigative work on the -- any  
15 the field, so to speak, in Asia, including examining component  
16 costs and things like that. Right?

17 A I don't recall that.

18 Q So, I would like to refer you, Ms. Fritz, to a couple of  
19 other features of this, this particular Asia News Flash.

20 First, at the very bottom, even below Mr. McGinnis's  
21 signature block there, and below his address, there is a --  
22 looks like a legend of some kind along the bottom in darker  
23 print.

24 Do you see that, ma'am?

25 A I do.



## FRITZ - CROSS EXAMINATION / CURRAN

1 Q And there is a reference to (As read):

2 "The information contained in this message and any attachment  
3 hereto is confidential and is for the sole use of the intended  
4 recipients. If you are not the intended recipient, or an  
5 employee or agent responsible for delivering this message to  
6 the intended recipient, you are hereby notified that any  
7 review, dissemination, distribution or copying of this message  
8 may be a violation of law and is strictly prohibited. If you  
9 have received this message in error, please notify the sender  
10 immediately and delete the original and all copies of this  
11 message."

12 Okay. Do you see that passage, Ms. Fritz?

13 A I do.

14 Q Okay. That's a warning about unauthorized distribution or  
15 dissemination of the information in this email. Right?

16 A It appears that way, yes.

17 Q Okay. Now, I would like to direct your attention to some  
18 specific items being reported here. And for that, I would like  
19 to direct you to the final -- to the back end of this document.  
20 And specifically to Page 22, so that's 5647-22.

21 (Request complied with by the Witness)

22 (Document displayed)

23 Q Are you there, Ms. Fritz?

24 A I am.

25 Q Okay. Now, this page and the two pages after it appear to



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1 be a summary of Asia News Flash items. Correct?

2 **A** It looks that way, yes.

3 **MR. CURRAN:** Okay. And, let's start maybe with the  
4 first item there. The first row. So it's the very top, the  
5 one -- one of the ones dated 11-13-03.

6 So, let's highlight that all the way across and blow that  
7 up a little bit.

8 (Document highlighted)

9 **BY MR. CURRAN:**

10 **Q** So, Ms. Fritz, this is reporting on competitive  
11 intelligence gathered up relevant to retailer Circuit City.  
12 Correct?

13 **A** It looks that way, yes.

14 **Q** And a relevant manufacturer or marketing company here is a  
15 company by the name of Tenfull, right?

16 **A** I am not familiar with Tenfull.

17 **Q** And then on the right column where it says "From the front  
18 line story," there's a message there (As read):

19 "According to a sales manager of Tenfull, a major mobile  
20 electronics product manufacturer in China, they have supplied  
21 mobile video products to Circuit City. According to Tenfull,  
22 Circuit City sourced products with recycled display to lower  
23 the cost of promotional items."

24 Do you see that, Ms. Fritz?

25 **A** I do.

## FRITZ - CROSS EXAMINATION / CURRAN

1 Q Okay. So that was some competitive intelligence being  
2 reported to you and your colleagues at Best Buy from people on  
3 the ground in Asia. Right?

4 A I don't recall this specific information, but it is in the  
5 summary.

6 Q Okay. And it's in the email that was sent to you and your  
7 colleagues.

8 A Correct.

9 Q Okay. I'd like to cherry-pick a few of the other items  
10 here.

11 MR. CURRAN: So let's go about a little more than  
12 halfway down the page, and there's an item from 10-16-03  
13 dealing with peripherals, at the first of the pair there.

14 And, Ms. Fritz, this relates to retailer Dell. Correct?

15 A Yes, it looks that way.

16 Q And just as a little background, when you were listing  
17 your suppliers of computer products for Mr. Silberfeld before,  
18 during the relevant period, 1998 to 2006, you did not identify  
19 Dell. Right?

20 A I did not.

21 Q And that was accurate testimony, because Best Buy didn't  
22 start buying Dell product until the end of 2007, the beginning  
23 of 2008. Right?

24 A Yeah, I don't recall the specific time frame, but I know  
25 it was -- it was later.

## FRITZ - CROSS EXAMINATION / CURRAN

1 Q Right. So you know it wasn't in the period 1998 to 2006.  
2 Right?

3 A I believe so, yes.

4 Q Okay. And, ma'am, the same, by the way, with Visio,  
5 right? Best Buy didn't start buying Visio product until after  
6 2006. Right?

7 A Yeah, Visio was actually very recent, in the last two  
8 years.

9 Q So those are two manufacturers of computer products that  
10 Best Buy did not buy product from during the relevant period  
11 here. Right?

12 A Correct.

13 Q Okay. So, here, Dell is -- is, in fact, being considered  
14 a competitor, not a vendor. Right?

15 A It would appear that way.

16 Q Well, and you considered Dell to be a competitor during  
17 this time period. Right?

18 A We did consider them a competitor during that time period.

19 Q And in fact, at Best Buy, maybe at times working with HP,  
20 you had specific task forces to target competition against  
21 Dell. Right?

22 A We were always reviewing our competition. And Dell was  
23 one of them, yes.

24 Q I'm sorry; you were always reviewing the competition?

25 A Yes.



## FRITZ - CROSS EXAMINATION / CURRAN

1 Q Okay. Thank you.

2 So, Ms. Fritz, on the right side here in the news item  
3 (Indicating), it says (As read):

4 "Dell will launch a new model of hard disk based MP3 player on  
5 October 26. 15K units have been ordered thus far. The device  
6 was designed and produced by Creative Lab with TI solution and  
7 the 1.8-inch hard disk is from Toshiba. It is believed that  
8 Dell will sell the 20G model at 299..."

9 U.S. dollars, or dollars.

10 "...and 10G model at \$229."

11 Do you see that?

12 A I do.

13 Q And, Ms. Fritz, the date of this email is November of '03.  
14 Right?

15 (Witness examines document)

16 A Correct.

17 Q But the date of the item being reported here is  
18 October 16, '03. Right?

19 (Witness examines document)

20 A Yeah, it looks that way.

21 Q Okay. So this -- this appears to be reporting information  
22 from 10-16-03 about activity that Dell would do on  
23 October 26th. Right?

24 A I don't know specifically, but the -- the dates are  
25 different in here, yes.



## FRITZ - CROSS EXAMINATION / CURRAN

1 Q Okay. So, so, but this appears to be a report on future  
2 activity, future product launch, by Best Buy's competitor,  
3 Dell. Right?

4 A I can't say that for sure.

5 Q Okay. But that's what it appears, based on this document  
6 (Indicating)?

7 A Based on this document, that's what it would appear like.  
8 But I can't -- I can't validate that.

9 Q Okay. Let's look at the final three items on this page.  
10 The third from the bottom, Ms. Fritz, is from an October  
11 2nd, '03 date. And it relates to retailer Sears, correct?

12 A I'm sorry; can you tell me the date again? I don't see  
13 it.

14 Q Yeah. I may have misspoken. 10-02-03. So, it's the  
15 third from the bottom on this same page, 5647-22.

16 A Okay. I see it.

17 Q And that item relates to retailer Sears, right?

18 A Correct. That's what is stated here.

19 Q Okay. And the item says (As read):

20 "According to a sales manager from Changhong, Apex is  
21 currently working with Sears store on a potential deal to  
22 supply the retailer DVD/VHS combo sourced from Changhong."

23 Is that what this reports, ma'am?

24 A I -- I don't have any recollection of this, but that is  
25 what's stated here.

## FRITZ - CROSS EXAMINATION / CURRAN

1 Q Okay. So your colleagues were reporting a potential deal  
2 between Sears and a supplier. Correct?

3 A I -- I can't speak to the fact that that's what they were  
4 reporting or not.

5 Q Okay. And then the item just below that from the same  
6 date relates to retailer Target, right?

7 A Correct.

8 Q Okay, and the report there says (As read):

9 "According to a sales manager with AmTRAN, it has been  
10 supplying 17-inch wide-screen LCD TVs to Target Stores for a  
11 few months. The total shipment is close to 10,000 units."

12 Do you see that, ma'am?

13 A I do.

14 Q So this appears to be your colleagues reporting on this  
15 competitive intelligence related to Target, right?

16 A Again, I can't -- I can't validate if the colleagues  
17 reported that or not. I can read that here, which is what it  
18 says, but I don't have a recollection of that.

19 Q Okay. But, but it is being reported in this email  
20 (Indicating), right?

21 A It looks that way, yes.

22 Q Okay. And then the very -- the final item on this page  
23 relates to Wal-Mart. Do you see that, ma'am?

24 A I do.

25 Q And at this point in time I think you have already

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1 testified Wal-Mart was a particularly close competitor of  
2 Best Buy. Right?

3 A Correct.

4 Q And the item here being reported says (As read):

5 "Through a relationship with Tatung, a sourcing manager from  
6 Best Buy Asia has found that Tatung is selling 23-inch LCD TVs  
7 to Wal-Mart with Tatung brand name. The price of the units is  
8 around \$1,150 (landed price) for 10,000 PCs. The TVs will be  
9 in store in November."

10 Do you see that, ma'am?

11 A I do.

12 Q So your colleagues were reporting that competitive  
13 intelligence relating to Wal-Mart. Right?

14 A It appears that they were.

15 Q Okay. And, just a couple of others. On the next page --  
16 so this is Page 5647-23, let's go down to the second half of  
17 the page.

18 On 9-2-03, so September 2nd, '03, here's another item,  
19 this one related to Dell. Correct?

20 (Witness examines document)

21 A Yep.

22 Q And it looks like the source here is -- or the relevant  
23 manufacturer is Samsung, right?

24 A It looks that way, yes.

25 Q And the news item being reported here is (As read):



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1 "It has been confirmed that Dell has purchased multimedia  
2 monitors from Samsung. Dell had had discussion for long time  
3 with Am TRAN to purchase multimedia monitors. It switched  
4 potential vendor in the last minute to its long-time partner,  
5 Samsung, for unclear reasons. One possible reason is the  
6 widely thought notion that Taiwanese companies are far less  
7 sophisticated in sales and marketing than their Korean  
8 competitors."

9 So, ma'am, that was the competitive intelligence being  
10 reported as to your competitor Dell. Right?

11 A It appears so.

12 Q And then, right below that, there is an item related to  
13 Gateway. Correct?

14 A Correct.

15 Q And, now, ma'am, inform me. Was Gateway a competitor, a  
16 cus- -- a supplier, or both, to Best Buy during this time?

17 A I believe during this time, they were a supplier.

18 Q A supplier. Okay. And, this item --

19 A Or vendor, sorry.

20 Q Okay. And this item, it appears that the relevant  
21 manufacturer is Chunghwa Picture Tubes. Do you see that?

22 A I do.

23 Q And that is one of the companies that Best Buy has sued in  
24 this lawsuit. Right?

25 A Um, I believe that is CPT, yes.



## FRITZ - CROSS EXAMINATION / CURRAN

1 Q Okay. And then, the item being reported here (As read):  
2 "Asia office sourcing manager has learned that U.S. company  
3 Gateway recently increased its 46-inch plasma September  
4 purchasing quantity to 3,000 units from original 2000.  
5 Gateway will also lower the retail price by \$300 to 3499. The  
6 company is in negotiation with CPT, current supplier to  
7 Best Buy 46-inch model, to increase its order quantity for  
8 October and beyond, seeking to take the majority of CPT's  
9 current monthly capacity of 6,000 units."

10 Do you see that, ma'am?

11 A I do. I just want to back up for a moment to clarify that  
12 Gateway, we bought PCs from them. I don't believe we ever  
13 bought televisions from them.

14 Q Okay. So in that respect, Gateway was a manufacturer of  
15 televisions, but not supplying it to you.

16 A Correct.

17 Q Okay. But you were selling televisions at the time, at  
18 Best Buy, right?

19 A Correct.

20 Q So, with respect to televisions, Gateway was a competitor,  
21 not a supplier. Right?

22 A Yes.

23 Q Okay. So this is competitive intelligence about  
24 competitor Gateway.

25 A It appears that way, yes.

## FRITZ - CROSS EXAMINATION / CURRAN

1 Q And then, skipping down to the final two items, on this  
2 page, the second to last is an item from August 14, '03,  
3 related to Circuit City. Right?

4 A Yes.

5 Q And this one states (As read):

6 "GBM won an auction held by Circuit City to supply the latter  
7 with Home Theater in a Box at the price of \$78.85 FOB Hong  
8 Kong. The volume is 150,000."

9 Do you see that, ma'am?

10 A I do.

11 Q So that's information about your competitor Circuit City  
12 buying Home Theater in a Box from GBM for this specific price.

13 Right?

14 A It appears that way, yes.

15 Q And, at that specific volume. Right?

16 A Yes.

17 Q That's pretty specific competitive intelligence, isn't it?

18 A It appears specific, yes.

19 Q And then the last item, from the same date, this time  
20 dealing with Gateway. And that -- and here, the report is.

21 (As read):

22 "According to Am TRAN, one of the major makers for LCD  
23 monitors and LCD TVs, it is currently supplying 17-inch 16:9  
24 wide-aspect LCD TVs to Gateway. The price is 440 to \$450 FOB  
25 Taiwan, while Gateway is selling it at \$799. Until recently,

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1 the shipped volume has been 3,000, shipped via air with the  
2 cost absorbed by Gateway as it tried to hit stores quickly.  
3 The volume forecast from Gateway is 3- to 5,000 a month. Am  
4 TRAN made an offer to Best Buy Asia office at 420 per unit."

5 Do you see that, ma'am?

6 **A** I do.

7 **Q** Okay. So, again, that's pretty specific competitive  
8 intelligence about your competitor, Gateway. Right?

9 **A** It appears that way, yes.

10 **Q** Now, ma'am, why was Best Buy gathering competitive  
11 information like this in Asia and disseminating it through a  
12 variety of Best Buy employees, including yourself, and people  
13 at the highest levels of the company?

14 **A** I -- I can't speak to why this specific document was  
15 gathered.

16 **Q** Okay. I'm not limiting it to this specific document. But  
17 I think, as you could see, what we were going through was an  
18 archive of previous reports (Indicating). Right?

19 **A** Yes.

20 **Q** So this was a periodic dissemination of competitive  
21 information from Asia, right?

22 **MR. SILBERFELD:** Objection, foundation.

23 **THE WITNESS:** Again, I --

24 **THE COURT:** Sustained.

25



## FRITZ - CROSS EXAMINATION / CURRAN

1 BY MR. CURRAN:

2 Q Well, Ms. Fritz, does it appear to you that these pages at  
3 the back (Indicating) were a -- represent a periodic  
4 distribution of information from Asia?

5 A It -- this (Indicating) is a distribution of information  
6 from Asia. Whether it was a periodic update, I cannot say.

7 Q Okay. Why was this information being distributed and  
8 disseminated within Best Buy, including at the highest levels?

9 A I could not specify why.

10 Q Ma'am, wasn't it so Best Buy could compete more  
11 effectively against its competitors?

12 A We were always gathering competitive information, so that  
13 we were knowledgeable about what was happening in the  
14 marketplace.

15 Q Ms. Fritz, you testified this morning about Black Friday.  
16 And, I think you said it was the most important day in the most  
17 important time of the year in retail. Did I get that right?

18 A Yes.

19 Q And I think Mr. Silberfeld asked you, and I think you  
20 agreed, that Black Friday was the day that retailers, at least  
21 apocryphally, became profitable during the year, right?

22 A I can't remember specifically what he asked me, but what I  
23 was explaining was Black Friday was a key prominent time during  
24 the holiday, and really kind of kicked off the holiday time  
25 frame. And to a large degree, would dictate success and



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1 momentum for the rest of the holiday season.

2 So it was critical, again, not only at Best Buy, but  
3 across the industry.

4 Q Okay. Was it, quite literally, the most important day of  
5 the year at Best Buy?

6 A You could say that.

7 Q And Ms. Fritz, at that time of year, in particular,  
8 competition was intense between Best Buy and its competitors.  
9 Right?

10 A Yes.

11 Q And, you and your colleagues were always trying to  
12 determine what your competitors might or might not do in their  
13 stores for Black Friday, right?

14 A We were always trying to understand if -- if we had the  
15 best offer from a customer perspective, yes.

16 Q And, Ms. Fritz, during the relevant period we're talking  
17 about, and specifically, say, 2005, a colleague of yours was  
18 Stephanie "Wauray," right?

19 A Actually, it's Stephanie "Jwair."

20 Q "Jwair," okay.

21 (Reporter interruption)

22 MR. CURRAN: It's J-U-A-I-R-E.

23 Your Honor, I have another document to pass around.

24 THE COURT: All right.

25 (Document handed up to the Court)

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1           **MR. CURRAN:** May I approach the witness, Your Honor?

2           **THE COURT:** You may.

3           (Witness examines document)

4           **BY MR. CURRAN:**

5           **Q**     Ms. Fritz, do you have Exhibit 8140 in front of you?

6           **A**     I do.

7           **Q**     And, please feel free to take a moment to familiarize  
8           yourself. But then, my question will be whether or not this is  
9           an exchange of emails between you and colleagues of yours at  
10          Best Buy.

11          **A**     Okay.

12          (Witness examines document)

13          **A**     Okay.

14          **Q**     So, Ms. Fritz, focusing on the top email on Exhibit 8140,  
15          this is an email from Stephanie -- Juaire?

16          **A**     Juaire.

17          **Q**     Juaire -- Juaire, to you, dated on or about June 21st,  
18          2005. Correct?

19          **A**     Yeah, I don't recall this specific email, but that is  
20          what's stated.

21                 **MR. CURRAN:** Your Honor, I move for the admission  
22          into evidence of 8140.

23                 **MR. SILBERFELD:** No objection.

24                 **MR. FREITAS:** No objection, Your Honor.

25                 **THE COURT:** Thank you. It will be received.